

Ameren Illinois Utilities
Net Revenue Requirement Computation
 AIU Exhibit 2.1 with AG/AARP Adjustments

AG/AARP EXHIBIT 1.3
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| | | Sch FR A-1 | | | | | | | | | | |
|--------------------------|---------------------------------------------|----------------------------|-----------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------|--------------------|--|
| | | Ameren Proposed | AG/AARP Witness Brosch Ratemaking Adjustments | | | | | | | Sum of Effron | AG | |
| | | Revenue Requirement | CWC | Late Payment | Reg. Asset | EEI Lobbying | Branding & | CWIP | Athletic | Adjustments | REVENUE | |
| <u>Line</u> | <u>Description</u> | <u>Amount (\$ in 000s)</u> | <u>Page 2</u> | <u>Page 3</u> | <u>Page 4</u> | <u>Page 5</u> | <u>Page 6</u> | <u>Page 7</u> | <u>Page 8</u> | <u>AG Ex. 2.0</u> | <u>REQUIREMENT</u> | |
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | |
| Operating Expense | | | | | | | | | | | | |
| 1 | Distribution Expense | \$ 180,731 | | | | | | | | | \$ 180,731 | |
| 2 | Customer Acct Expense | 46,739 | | | | | | | | | 46,739 | |
| 3 | Customer Service and Informational Expense | 4,644 | | | | | (1,112) | | | | 3,532 | |
| 4 | A&G Expense | 109,678 | | | | (94) | | | (92) | | 109,492 | |
| 5 | Depreciation and Amort Expense | 154,177 | | | (2,523) | | | | | | 151,654 | |
| 6 | Depreciation and Amort Expense - Forecast | 9,900 | | | | | | | | | 9,900 | |
| 7 | Taxes Other Than Income | 53,882 | | | | | | | | | 53,882 | |
| 8 | Regulatory Asset Amort | 7,131 | | | | | | | | | 7,131 | |
| 9 | Other Expense Adjs | 0 | | | | | | | | | 0 | |
| 10 | Total Operating Expenses | 566,883 | 0 | 0 | (2,523) | (94) | (1,112) | 0 | (92) | 0 | 563,062 | |
| 11 | Rate Base | \$ 2,168,258 | (15,250) | | | | | (400) | | (176,619) | \$ 1,975,988 | |
| 12 | Pre-Tax Wtd Avg Cost of Capital (%) | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | 9.02% | |
| 13 | Authorized Return | \$ 195,559 | \$ (1,375) | \$ - | \$ - | \$ - | \$ - | \$ (36) | \$ - | \$ (15,930) | \$ 178,218 | |
| 14 | Interest Synchronization Deduction | (30,046) | 212 | 0 | 0 | 0 | 0 | 6 | 0 | 2,450 | (27,379) | |
| 15 | After Tax Return on Rate Base | \$ 165,513 | \$ (1,164) | \$ - | \$ - | \$ - | \$ - | \$ (31) | \$ - | \$ (13,479) | \$ 150,839 | |
| 16 | Incremental Tax Gross Up Factor (%) | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | 65.961% | |
| 17 | Incremental Tax Gross Up | \$ 109,174 | \$ (768) | \$ - | \$ - | \$ - | \$ - | \$ (20) | \$ - | \$ (8,891) | \$ 99,495 | |
| 18 | Amortization of ITCs | (2,065) | | | | | | | | | (2,065) | |
| 19 | Authorized Return Grossed Up for Taxes | \$ 272,622 | \$ (1,932) | \$ - | \$ - | \$ - | \$ - | \$ (51) | \$ - | \$ (22,370) | \$ 248,269 | |
| 20 | Revenue Requirement before Other Revenues | 839,505 | (1,932) | 0 | (2,523) | (94) | (1,112) | (51) | (92) | (22,370) | 811,331 | |
| 21 | Other Revenues | 24,724 | | 6,613 | | | | | | | 31,337 | |
| 22 | Revenue Requirement | \$ 814,781 | \$ (1,932) | \$ (6,613) | \$ (2,523) | \$ (94) | \$ (1,112) | \$ (51) | \$ (92) | \$ (22,370) | \$ 779,994 | |
| 24 | Reconciliation of Prior Yr | 0 | | | | | | | | | 0 | |
| 25 | Net Revenue Requirement | \$ 814,781 | (1,932) | (6,613) | (2,523) | (94) | (1,112) | (51) | (92) | (22,370) | \$ 779,994 | |
| 26 | Prior Yr Applicable Net Revenue Requirement | 833,981 | | | | | | | | | 833,981 | |
| 27 | Change in Revenue Requirement From Prior Yr | \$ (19,200) | | | | | | | | | \$ (53,987) | |

Footnotes:

- Amounts for G&I Plant are provided in ComEd responses to Staff PR 1.02 (Supplemental) and for property taxes in CUB 3.01.
- See Brosch Testimony regarding alternative adjustment to Late Payment Charge revenue credits if ComEd's proposed G&I Plant Allocation change is approved by the Commission. Revenues at line 22 would increase \$ 2,647

**Ameren Illinois Utilities
Cash Working Capital Calculation**

Ameren Exhibit 4.2 CWC - Reformatted

AG/AARP CWC Revisions

| Line No. | Cash Flow Elements | Amount \$000 | Revenue Lag Days | Expense Lead Days | Net Lag Days | CWC Factor | CWC Required | Revenue Lag Days | Expense Lead Days | Net Lag Days | CWC Factor | CWC Required | |
|----------|-----------------------------------------------------|--------------|---------------------|----------------------|-----------------|---------------|------------------|--------------------------|----------------------|-----------------|---------------|--------------------|------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | |
| 1 | Employee Benefits | \$ 31,317 | 49.75 | 12.69 | 37.06 | 0.1015 | \$ 3,180 | 41.12 | 15.97 | 25.15 | 0.0689 | \$ 2,158 | |
| 2 | FICA | 10,391 | 49.75 | 13.13 | 36.62 | 0.1003 | 1,043 | 41.12 | 13.13 | 27.99 | 0.0767 | 797 | |
| 3 | Payroll | 127,599 | 49.75 | 11.39 | 38.36 | 0.1051 | 13,410 | 41.12 | 11.39 | 29.73 | 0.0815 | 10,393 | |
| 4 | Other O&M Expense | 177,304 | 49.75 | 48.87 | 0.88 | 0.0024 | 427 | 41.12 | 48.87 | (7.75) | (0.0212) | (3,765) | |
| 5 | Federal Unemployment Tax | 96 | 49.75 | 76.38 | (26.63) | (0.0730) | (7) | 41.12 | 76.38 | (35.26) | (0.0966) | (9) | |
| 6 | State Unemployment Tax | 85 | 49.75 | 76.38 | (26.63) | (0.0730) | (6) | 41.12 | 76.38 | (35.26) | (0.0966) | (8) | |
| 7 | St. Louis Payroll Tax | 10 | 49.75 | 83.51 | (33.76) | (0.0925) | (1) | 41.12 | 83.51 | (42.39) | (0.1161) | (1) | |
| 8 | Federal Excise Tax | 3 | 49.75 | 30.21 | 19.54 | 0.0535 | 0 | 41.12 | 30.21 | 10.91 | 0.0299 | 0 | |
| 9 | Electricity Distribution Tax | 35,755 | 49.75 | 30.13 | 19.62 | 0.0538 | 1,922 | 41.12 | 30.13 | 10.99 | 0.0301 | 1,077 | |
| 10 | Energy Assistance Charges | 16,793 | 34.54 | 38.54 | (4.00) | (0.0110) | (184) | 0.00 | 35.20 | (35.20) | (0.0964) | (1,619) | |
| 11 | Municipal Utility Tax | 46 | 34.54 | 48.54 | (14.00) | (0.0384) | (2) | 0.00 | 48.54 | (48.54) | (0.1330) | (6) | |
| 12 | Gross Receipts Tax | 106 | 49.75 | 45.63 | 4.12 | 0.0113 | 1 | 0.00 | 45.63 | (45.63) | (0.1250) | (13) | |
| 13 | Corporate Franchise Tax | 3,234 | 49.75 | 161.97 | (112.22) | (0.3075) | (994) | 41.12 | 161.97 | (120.85) | (0.3311) | (1,071) | |
| 14 | Property / Real Estate Taxes | 4,201 | 49.75 | 375.08 | (325.33) | (0.8913) | (3,744) | 41.12 | 375.08 | (333.96) | (0.9150) | (3,844) | |
| 15 | Interest Expense | 71,655 | 49.75 | 91.25 | (41.50) | (0.1137) | (8,147) | 41.12 | 91.25 | (50.13) | (0.1373) | (9,841) | |
| 16 | Bank Facility Costs | 3,942 | 49.75 | -156.59 | 206.34 | 0.5653 | 2,228 | 41.12 | (156.59) | 197.71 | 0.5417 | 2,135 | |
| 17 | Income Taxes | 77,063 | 49.75 | 37.88 | 11.87 | 0.0325 | 2,506 | 0.00 | 0 | - | - | - | |
| 18 | Total Receipts and Outlays | 559,600 | | | | | \$ 11,632 | Shaded Cells are Revised | | | | | \$ (3,618) |
| | | | | | | | | | | | | | |
| 19 | TOTAL CASH WORKING CAPITAL | | | | | Note 1 | <u>\$ 11,632</u> | | | | Note 2 | <u>\$ (3,618)</u> | |
| 20 | ADJUSTMENT TO COMPANY PROPOSED CASH WORKING CAPITAL | | | | | | | | | | | <u>\$ (15,250)</u> | |

Footnotes:

- Differs slightly from Ameren Ex. 4.2 amount \$11,631 due to rounding.
- All amounts in column (b) should be updated in the final Order

Ameren Illinois Utilities
Adjustment to Allocation of Forfeited Discounts (Late Payment Revenue)

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Reference</u> (b) | <u>Amount \$000</u> (c) |
|-----------------|---------------------------------------------------------------------------|-------------------------|----------------------------|
| 1 | Total Forfeited Discount (Late Payment Charge) Revenue | Ex. 2.1 App7 | \$ 11,380 |
| 2 | Ameren Proposed Jurisdictional Allocation Factor | " | <u>41.89%</u> |
| 3 | Electric Distribution Late Payment Revenues per Ameren | Line 1 * Line 2 | \$ 4,767 |
| 4 | AG/AARP Proposed Jurisdictional Allocation Factor | | <u>100%</u> |
| 5 | AG/AARP Proposed Electric Distribution Late Payment Revenue Credit | Line 1 * Line 4 | <u>11,380</u> |
| 6 | AG/AARP Adjustment to Increase Forfeited Discount (Late Payment) Revenues | Line 5 - Line 3 | <u>6,613</u> |

Ameren Illinois Utilities
Regulatory Asset Amortization

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Source</u> (b) | 2009 Severance Cost Amortization \$000 (c) | \$67 Million Merger Integration Cost Amortization \$000 |
|-----------------|--------------------------------------------------------------|----------------------|-----------------------------------------------------|---------------------------------------------------------------|
| 1 | Monthly Amortization Previously Authorized by ICC | AG 6.08g | \$ 44 | \$ 340 |
| 2 | Times: 12 to Annual Level | AG 6.08e | 12 | 12 |
| 3 | Annual Regulatory Asset Amortization Authorized by ICC | Line 1 * 12 | 528 | 4,080 |
| 4 | Less: Amount Recorded in 2010 | AG 1.12 Att. 1 | 352 | 6,779 |
| 5 | AG/AARP Adjustment to Recover Regulatory Asset as Authorized | Line 3 - Line 4 | 176 | (2,699) |
| 6 | TOTAL AG/AARP REGULATORY ASSET AMORTIZATION ADJUSTMENT | | \$ | (2,523) |

Ameren Illinois Utilities
EEI Lobbying Disallowance

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Source</u> (b) | <u>Edison Electric Institute Dues</u> | |
|-----------------|-------------------------------------------------------|----------------------|---------------------------------------|-------------------------------|
| | | | <u>Regular Dues</u> (c) | <u>Industry Issues</u> (d) |
| 1 | EEI Dues Expensed in 2010 | AG 4.01,Att.1 | \$ 1,152 | \$ 115 |
| 2 | Times: Allocation to Ameren Illinois Utilities | AG 4.01d | 50.84% | 50.84% |
| 3 | AIU Allocated Dues Amount | Line 1 * Line 2 | 586 | 58 |
| 4 | Estimated Lobbying Portion of Dues | AG 4.01c | 21% | 35% |
| 5 | Estimated Lobbying Portion of EEI Expenses | Line 3 * Line 4 | \$ 123 | \$ 20 |
| 6 | Times: Allocation to Electric Operations | AG 4.01d | 70% | 70% |
| 7 | Total Electric Operations Lobbying Adjustment | Line 5 * Line 6 | \$ 86 | \$ 14 |
| 8 | Times: A&G Jurisdictional Allocation Factor | AIU Ex. 2.1, FR A-2 | 93.41% | 93.41% |
| 9 | Jurisdictional EEI Lobbying Expenses | | \$ 80 | \$ 13 |
| 10 | AG/AARP ADJUSTMENT TO ELIMINATE EEI LOBBYING EXPENSES | | | <u><u>\$ (94)</u></u> |

Ameren Illinois Utilities
Adjustments Eliminating Branding & Corporate Sponsorships

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Source</u> (b) | <u>Recorded</u> <u>Amount \$000</u> (c) | <u>Adjustment</u> <u>Amount \$000</u> (d) |
|-----------------|----------------------------------------------------------------------|----------------------|-----------------------------------------------|-------------------------------------------------|
| 1 | Ameren Brand, name and logo studies | ST 2.07, Att. P.16 | \$ 718 | |
| 2 | E-store corporate branded store for employees | " | <u>158</u> | |
| 3 | Total of Corporate Branding Expenses to AIU Acct. 909 | | \$ 876 | |
| 4 | Jurisdictional Allocation Factor (Note 1) | | <u>100%</u> | |
| 5 | Electric Jurisdictional Expense Amount | | | \$ (876) |
| 6 | Corporate Sponsorships - Community Events Acct. 930 | ST 2.07, Att. P.19 | 253 | |
| 7 | Jurisdictional Allocation Factor (Note 1) | | <u>93.41%</u> | |
| 8 | Electric Jurisdictional Expense Amount | | | \$ (236) |
| 9 | AG/AARP ADJUSTMENT TO ELIMINATE CORPORATE BRANDING/SPONSORSHIP COSTS | | | <u><u>\$ (1,112)</u></u> |

Footnote 1: No indication of Gas/Electric Breakdown was provided in AIU's response, so electric share was assumed to be 100%. Account 909 is 100% jurisdictional per AIU Ex. 2.1 at Schedule FR C-1, column E. A&G is 93.41% jurisdictional per column (F).

Ameren Illinois Utilities
Adjustment to Exclude CWIP Funded by Accounts Payable

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Source</u> (b) | Rate Base |
|-----------------|-------------------------------------------------------------|----------------------|----------------------------|
| | | | <u>Amount \$000</u> (c) |
| 1 | Test Year CWIP not subject to AFUDC | AIC Schedule WPB-7 | \$ 547 |
| 2 | Less: Estimated Accounts Payable Associated with Line 1 | AG4.16b | |
| 3 | Project 26615 | DLH 2.04 Att.1 | 93 |
| 4 | Project 26616 | " | 149 |
| 5 | Project 26617 | " | 158 |
| 6 | Total Accounts Payable Financing for CWIP in Rate Base | Sum Lines 3..5 | <u>400</u> |
| 7 | AG/AARP ADJUSTMENT - PAYABLES FOR CWIP NOT SUBJECT TO AFUDC | Line 6 | <u><u>\$ (400)</u></u> |

Ameren Illinois Utilities
Adjustment Eliminating Athletic Events Expenses

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| <u>Line No.</u> | <u>Description</u> (a) | <u>Source</u> (b) | <u>Recorded</u> <u>Amount \$000</u> (c) | <u>Adjustment</u> <u>Amount \$000</u> (d) |
|-----------------|-------------------------------------------------------|----------------------|-----------------------------------------------|-------------------------------------------------|
| 1 | Athletic Events Expenditures | ST 2.06, Attachment | \$ 98 | |
| 2 | Jurisdictional Allocation Factor (Note 1) | AIU Ex. 2.1, FR A-2 | 93.41% | |
| 3 | Electric Jurisdictional Expense Amount | | | \$ 92 |
| 4 | AG/AARP ADJUSTMENT TO ELIMINATE ATHLETIC EVENTS COSTS | | | <u>\$ (92)</u> |